



**CONNECTICUT
CENTER FOR A
NEW ECONOMY**

425 College Street
New Haven, CT 06511

March 13, 2012

Senator Edith Prague, Representative Zeke Zalaski and members of the Labor and Public Employees Committee:

Thank you for the opportunity to testify today. My name is Renae Reese. I am the Executive Director of the Connecticut Center for a New Economy. I am testifying this afternoon in favor of HB 5433 and SB 352.

CCNE works to improve the lives of the working poor in Hartford and New Haven and throughout Connecticut. We believe in an effective social contract between residents and their government, ensuring that everyone has access to education, health care, housing, and food. The best way for most families to attain these basics is through good union jobs. CCNE examines, and fights inequality. We teach about its causes and effects. The gap between the rich and the poor is growing faster in Connecticut than in any other state. There are only two ways to address that problem. One is through improvement of the social safety net. The other is through higher wages and better benefits.

These bills represent a combination of these two approaches, the only approaches to closing that gap. When you look at who is harmed by inequality and every way that you be harmed by inequality, these bills would do something to address them.

Hartford is the poorest town in Connecticut. 31% of people live below the federal poverty level. 43% of families with children live below the federal poverty level. More than 1,100 home child care providers and home health care workers live in Hartford, the largest concentration in the State. The second-highest concentration is in New Haven, another very poor town. Although those who would gain from these two bills live in every town in Connecticut, not surprisingly, most of them live in the poorest towns. The inadequate earnings of child care and home health care workers contributes to the poverty of these towns.

According to Permanent Commission on the Status of Women 2005 self-sufficiency study, \$42,000 a year was necessary just to get by in Hartford with two children. Yet the workers who are paid by the State to care for babies, the elderly and disabled earn less than half of that in 2011.

The idea that more than 1,100 families in Hartford would earn more income would create a tremendous economic boost for our community. There will be

reverberating positive effects for landlords, merchants, mechanics, and other small business owners.

Furthermore this represents the best investment Connecticut could make in early child development, a priority issue this year. This investment would go to those who want to invest more in preparing kids for school but who are the least well-resourced to do so.

Take a serious jab at inequality and vote YES for SB 352 and HB 5433.